

**The National Association
for
Colitis and Crohn's Disease**

Annual Report and Accounts

**Year ending
31st December 2007**



**NACC, 4 Beaumont House, Sutton Road,
St Albans, Herts, AL1 5HH.**

**Charity registered in England and Wales No.1117148 and Scotland No. SC038632
A company limited by guarantee in England: company number 5973370**

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ANNUAL REPORT

This report and the attached statement of accounts comply with current statutory requirements and the Memorandum and Articles of Association of NACC and are in the format required by the Charity Commissioners - the Statement of Recommended Practice (SORP 2005) – and relevant company and charity law.

Constitution

From 1979 to 2006 the National Association for Colitis and Crohn's Disease (NACC) was a charitable, unincorporated association registered under charity number 282732. In 2006 the members voted to change the constitutional status of NACC to a charitable company limited by guarantee and this came into effect at midnight on 31st December 2006. (At that time the unincorporated association transferred all its assets and activities to the new charity registered as The National Association for Colitis and Crohn's Disease as charity number 1117148 and as a company registered in England number 5973370, which is governed by its Memorandum and Articles of Association. (The unincorporated association remains in being under the new name of the National Association for Colitis and Crohn's Disease 1979-2006.) In 2007 the charity registered with the Office of the Scottish Charity Regulator under the number SC038632

Trustees

The Articles of Association provide for a Council of Trustees consisting of four executive honorary officers plus not less than three and not more than eight ordinary trustees, elected at the annual general meetings of members. Members who express an interest in being nominated for election as a Trustee have a meeting with the Trustees to ensure they are aware of the responsibilities and requirements of the role before nomination takes place. Once elected, individual induction is arranged according to the Trustee's experience. Additional training is provided through attendance at external voluntary sector conferences, NACC in-house training for volunteers and circulation of relevant charity information. Trustees have power to co-opt not more than six Advisers as non-voting members of the Council and to appoint a number of committees.

The Trustees are responsible for determining the aims, policies, activities and budget of NACC. The staff led by the Director report to the Trustees. Staff are responsible for advising the Trustees, participating in the development of policies and plans and carrying through the policies and activities in accordance with the approach and budget determined by the Trustees.

Objects

NACC's objects, as set out in its Memorandum of Association, are:

- the relief of those suffering from Ulcerative Colitis, Crohn's Disease or related inflammatory bowel diseases (together generally referred to as IBD) including the support of those who care for them;
- the promotion of the welfare of those suffering from IBD;
- the advancement of education and research into the causes, prevention, treatment and cure of IBD and improvements in the management of the conditions, and the publication of the results of such research.

The objects are fulfilled through the aims, strategies and activities expressed in the NACC Plan.

The NACC Plan for 2005 - 2008

Following market research undertaken by NOP World for NACC in 2004, the Trustees agreed an overall plan for NACC for 2005 – 2008, which was launched at the AGM in April 2005. The Plan set out NACC's Aim, Vision and Principles, and set the objectives for NACC in that time period and the strategies intended to meet them.

NACC's Aim

Improving life for people affected by Colitis and Crohn's Disease.

NACC's Vision

NACC should be a well-known and active organisation recognised for excellence in:

- Providing support & information for patients & their families who are affected by Inflammatory Bowel Diseases (IBD).
- Raising public & political awareness of IBD.
- Striving to improve healthcare services & provision for IBD.
- Influencing the attitudes of society to achieve positive change for those affected by Inflammatory Bowel Diseases.
- Promoting research into all aspects of Inflammatory Bowel Diseases & how they affect people's lives.

The principles underpinning NACC's Vision

NACC will be an *active organisation* both in the sense that members and volunteers will take an active role in achieving the objectives that have been agreed and in the sense that NACC will take a leading role in championing the needs and concerns of people affected by Inflammatory Bowel Diseases.

NACC will aim for excellence by basing its policies and plans on objective evidence wherever possible and by adopting recognised standards of quality in its services and practices.

NACC will expect Trustees, members, volunteers and staff to observe the principles of compassion, equality and inclusion and to act with respect and integrity in their work for the Association.

Whenever possible the Trustees will forward NACC's objectives through research, development and service activities in partnership with Health Service, Professional and other patient organisations and with the pharmaceutical industry.

Our objectives and how well we are achieving them.

1. Providing support & information for patients & their families who are affected by Inflammatory Bowel Diseases (IBD).

Strategies:

- *respond to individual enquiries for information;*
- *provide information and support relating to Disability Benefits;*
- *offer support over the telephone through the 'NACC-in-Contact' scheme;*
- *publish information in the form of booklets, information sheets, a quarterly newsletter, audio visual materials and through the NACC website;*
- *provide opportunities for interaction and mutual support between members through the NACC website.*
- *maintain volunteer-run Groups which provide educational and support meetings,*
- *provide a support network for families with children and for young people who have IBD;*
- *offer individual grants to people who have financial needs arising from their IBD;*
- *provide members with a 'Can't Wait' card which can be shown to retailers when asking for urgent use of private toilet facilities where no public facilities are available;*
- *ensure that health professionals have access to information materials from NACC for their patients*

Achievements in 2007:

- ◇ The NACC Information Service staff responded to 6,360 individual enquiries (2006: 6,618). Most enquiries were by telephone (80%). Almost two-thirds of those who telephone are patients; just under a third are family members. 44% are NACC members. The Service is staffed by three part-time Information Officers and one Publications and Information Officer, working an average of 27 hours per week each. The telephone service is provided on an 0845 (local call rate) number and is available five days per week, from 10.00 am to 1.00 pm, with an answerphone and ring back service outside these times.
- ◇ The DLA Support Service helped 92 people through its appointment service in 2007 (2006:92). People needing support are able to book a call with a volunteer through the Information Line. Eleven Guides to Benefits relevant to IBD are available on the NACC website and by post. These are updated each year.
- ◇ The NACC-in-Contact supportive-listening service is provided by 50 trained volunteers from their homes. Calls on the NACC-in-Contact Support Line are routed to them via an 0845 number and 3 or 4 calls are taken on most days. During 2006 a pilot project was started extending the service to weekday afternoons and this has continued through 2007, increasing the overall number of people helped.
- ◇ An independent evaluation of the experience and satisfaction of people using the Information Line, DLA Support Service and NACC-in-Contact was undertaken which showed very high satisfaction levels among users of all three services.
- ◇ NACC publications are reviewed and updated in a planned programme. 23 Information Sheets are available by post and on the NACC Website and new FAQ sheets were prepared on *Insurance and IBD* and *Travelling with IBD* in response to enquiries received through the Information Service. The new design for the booklets agreed in 2006 is being implemented as booklets are reprinted.
- ◇ Over 8,000 copies of the NACC Information Pack for newly-diagnosed patients were distributed to 130 hospitals during the year. The pack was provided free-of-charge to hospitals with the aid of support grants from eight pharmaceutical companies.

- ◇ The consultation aid for IBD Surgery launched in 2006 continued to be made available to hospitals throughout 2007. The pack includes a CD with seven patients speaking about their experiences.
- ◇ A new set of Information Sheets was produced describing individual immunomodulator and biologic therapies prescribed for IBD. The Information Sheets have been produced in parallel with guidance for professionals provided by the BSG (British Society of Gastroenterology) and cover Azathioprine/6MP, Ciclosporin, Infliximab and Methotrexate.
- ◇ The NACC newsletter was published quarterly, using a professional freelance editor working within guidance set by the Information and Support Services Committee. The Medical Editor for 2007 was Dr Dermott McGovern. NACC News provides members with information on developments in research and treatment, the opportunity to share experiences of living with IBD and news about NACC activities.
- ◇ A Review of NACC-funded research into IBD from 2002-2007 was published.
- ◇ The NACC website receives an average of 25,000 unique visitors per month and the annual total of user sessions exceeds 350,000.
- ◇ NACC has 70 active Groups which arrange regular meetings open to anyone who is affected by IBD
- ◇ 124 individual Personal Grants were made to people experiencing financial difficulty as a result of their IBD (2006: 144). Most grants were for washing machines, bedding, clothing or recuperative holidays. Applicants must provide supporting evidence of their diagnosis of IBD from a doctor or nurse, of their need for assistance from a social worker or similar professional and must complete a statement of family income and expenses. Applications are considered in confidence by the Personal Grants Committee. Applicants can receive no more than three grants in any five-year period and the average grant is just over £300.

Young people with IBD

- ◇ The *IBD and Me* Project started in 2005 with a research phase by gathering the views of young people on their experience and needs related to their IBD and a report with recommendations for the Trustees was published in 2006. (Available on the NACC website.) Activities to support young people and to increase awareness of their needs are being built into NACC's future plans in all areas of our work.
- ◇ In 2007 Colitis and Crohn's Week publicised the impact of IBD on Young People and promoted the IBD and Me Web-pages and discussion board. Registered members on the board more than trebled to 850 by the end of the year.
- ◇ The Guide for Universities and Colleges was updated in 2007 and a new guide produced for Students going to University or College.
- ◇ A special Young Persons' Assistance Scheme exists to help meet vocational and educational needs arising from IBD and 9 grants were made in 2007 (17: 2006).

Families with children who have IBD

- ◇ NACC continues to work with CICRA and with the relevant health professional associations to create more awareness in paediatric units of the information and support that is available. A joint poster and leaflet launched in 2005 continues to be distributed.
- ◇ NACC and CICRA held a workshop on the transition from paediatric to adult care in June 2005 which involved health and allied professionals from both paediatric and adult services. A working group was formed in 2006 to develop guidelines for transition with support from the various professional associations. Guidelines have been finalised in 2007 for publication in 2008.

- ◇ Within NACC, the 'Smilie's People' Group continued to provide support to families throughout the UK. Two Family Days were run in 2007.
- ◇ Volunteers were recruited and trained ready to launch a new service for parents in 2008. This will be a Parent to Parent Telephone Support Service with parents able to arrange an appointment with a parent volunteer through the NACC Information Service.
- ◇ The Guide for Schools was updated in 2007.

Key objectives for 2008:

- Arrange a Planning Day to review all aspects of NACC's Information and Support Services and to identify priorities for current and future work.
- Provide new audio-visual materials about living with IBD on DVD and the NACC website.
- Introduce an interactive members' area on the website.
- Agree a plan for involving and supporting young people more effectively and begin to implement this.
- Publish and promote the guidelines on Transition from paediatric to adult care in IBD.
- Promote the use of the NACC Information Pack for newly-diagnosed patients in hospitals as widely as possible and introduce a Family Information Pack for use in paediatric units.
- Launch the Parent to Parent Telephone Service.
- Plan how NACC can develop a programme of 'Living with IBD' workshops to be launched in 2009, if funding can be secured.

2. Raising public & political awareness of IBD.

Strategies:

- *improve awareness and understanding of IBD among the general public through media publicity and the wide dissemination of information about IBD;*
- *increase awareness of IBD among politicians and those responsible for managing health services;*
- *encourage and support patients who have Colitis or Crohn's Disease to speak publicly about their experiences at relevant events and in the media.*
- *ensure that health professionals have a good understanding of NACC's services*

Achievements in 2007:

- ◇ NACC continued to employ a media agency (Healthcare Solutions) to gain more recognition and awareness of IBD by promoting features in health professional and consumer media. The media coverage obtained in 2007 increased to circulation 31.3 million and readership 75.5 million (*2006: circulation 15.4 million & readership 24.8 million*).
- ◇ Colitis and Crohn's Week in 2007 focused on the impact of IBD on young people.
- ◇ The campaign for specialist nursing care was continued throughout the year and significant coverage of the NACC Nursing Award for 2007 was obtained in the professional nursing journals.
- ◇ NACC continued its programme of raising political awareness of IBD with the support of Portcullis Public Affairs. A series of briefing sessions with politicians at Westminster were arranged with a very positive response. These will continue into 2008 with a similar programme starting in Scotland.
- ◇ The NACC 360° E-newsletter was sent monthly to subscribing health professionals. The newsletter provides summary reports from gastroenterology meetings and journals,

pharmaceutical news, health policy developments and key messages about NACC. The number of professionals subscribing rose to 400.

- ◇ NACC developed a specific programme of raising awareness among health professionals in Scotland where in the past the number of NACC members and Groups has been proportionally lower than the rest of the UK. A survey of Gastroenterology Units was undertaken, a number of units visited individually, a meeting for IBD Nurses was arranged and NACC was represented at the major Scottish Gastroenterology meetings.

Key objectives for 2008:

- To review NACC's current awareness strategy and develop ideas for the next Strategic plan.
- To raise awareness of NACC and IBD through events and the media by holding a Colitis and Crohn's Awareness Week in June.
- To continue the Specialist Nursing Campaign through the media.
- To develop the political awareness programme in Westminster, in Scotland and in Wales to support NACC's work on improving healthcare services and other issues affecting people who have IBD.
- To recruit a panel of volunteers who can attend and speak at events of all kinds to raise the profile of IBD.
- To support NACC Groups and Patient Panels in representing the needs of IBD patients within their local health organisations.

3. Striving to improve healthcare services & provision for IBD.

Strategies:

- *campaign for more specialist nursing for people affected by colitis or Crohn's Disease.*
- *promote the development of a strategic framework for the future funding and improvement of services for IBD patients across the UK;*
- *support the development of an independent document outlining good practice in the care of patients who have colitis or Crohn's Disease.*
- *encourage the inclusion of patients' experiences of living with IBD in health professionals' training;*
- *support the development of patient panels or other initiatives through which people affected by Colitis or Crohn's Disease and the professionals involved in their care can exchange ideas on how local services for IBD can best be developed;*
- *encourage and support patients who have Colitis or Crohn's Disease to become patient representatives at national or local level in response to the Public Involvement opportunities within the NHS and related bodies.*
- *promote awareness of the value of specialist counselling and psychological support for people with IBD within NHS services;*

Achievements in 2007:

- ◇ NACC commissioned the University of the South Bank to undertake a systematic review of the published evidence for specialist nursing in IBD and a thematic analysis of the nominations for the 2005 NACC IBD Nurse Award. This was presented at a national meeting for IBD Specialist Nurses in October 2007 which focused on the development of the specialist nursing role. The meeting was arranged jointly by NACC and the Colitis and Crohn's Nursing group within the Royal College of Nursing.
- ◇ NACC is one of four organisations jointly managing the first UK-wide audit of hospital services and care for IBD patients. The audit is being run from the Royal College of

Physicians Clinical Effectiveness Unit and has been made possible through a £500,000 grant from the Health Foundation. The report of the first round of audit was published in February 2007 and showed significant variation in services and standards of clinical care.

- ◇ Eight regional meetings were arranged by the IBD Audit Project Team to provide opportunities for health professionals to discuss the results and consider ways of improving services. NACC took an active role in each meeting presenting the ways in which NACC could support IBD Services.
- ◇ A national working group involving all the professional associations and chaired by the Director of NACC was formed in 2007 to develop national standards for IBD.
- ◇ NACC responded to various Department of Health and NICE consultation documents during the year.
- ◇ NACC is a partner in the IMAGE Project which is exploring how the care provided by GPs for gastrointestinal conditions can be improved. The project focuses on IBD, Coeliac disease, Irritable Bowel Syndrome and Reflux disease. The project is managed by the department of General Practice and Primary Care of Kings College London School of Medicine and is funded by a £500,000 Health Foundation grant.
- ◇ Additional NACC Patient Panels were formed following the successful pilot programme in 2005/6. By the end of the year there were 10 Panels in place and several more under development. A poster describing the evaluation of the pilot Panels was accepted for the March 2008 British Society of Gastroenterology conference.

Key objectives for 2008:

- To work with the professional associations to develop agreed standards of care for IBD and promote these within the National Health Service.
- To produce a briefing document for those who commission IBD health services.
- To explore how primary care services for IBD patients can be improved.
- To assist in promoting the UK IBD Audit and support actions to improve the quality of services.
- To work with the RCN Gastroenterology and Stoma Care Forum to increase the published evidence for the roles and value of specialist nurses in IBD.
- To represent the interests of IBD patients in the forthcoming NICE appraisals of new treatments for IBD
- To represent the interests of IBD patients in the current reviews of NHS services.
- To recruit a panel of members who can take up opportunities for patient representation in the NHS.
- To increase the number of IBD Patient Panels and extend these to include paediatric care.

4. Influencing the attitudes of society to achieve positive change for those affected by Inflammatory Bowel Diseases.

Strategies:

- *represent the needs and views of people who have IBD to public authorities and relevant commercial and voluntary organisations;*
- *develop actions based on the findings of our Social and Psychological Research projects,*
- *identify members who are willing to work as individual volunteers or in teams on specific projects or campaigns.*

Achievements in 2007:

- ◇ NACC took part in the debate in Scotland about Prescription Charges, submitting evidence to the consultation and writing to the new Minister after elections in Scotland.
- ◇ The issue of prescription costs for people in England who have IBD was raised in political briefings at Westminster.
- ◇ NACC continued to make representations to the Department of Transport about the eligibility of IBD patients for the Blue Parking Badge to ensure that the Department's commitment to review this was fulfilled.
- ◇ Members and young people were invited to come forward and take part in a project team to explore how NACC can provide more support to young people attending further education.

Key objectives for 2008:

- To develop the college and university student project.
- To seek a meeting with the Department of Transport concerning eligibility for the Blue Parking Badge.
- To support campaigns for better access to public toilets.
- As part of the preparations for NACC's 2009-2012 Plan to review how work on these areas of non-healthcare needs can be taken forward more effectively within NACC.

5. Promoting research into all aspects of Inflammatory Bowel Diseases & how they affect people's lives.

Strategies:

- *raise funds to provide a minimum of £300,000 annually for research into the medical, social and psychological aspects of IBD and how health services for IBD can be improved and seek to increase this annual sum to £500,000;*
- *make awards for research projects through an annual peer-reviewed application process;*
- *set aside the full amount of funds required for NACC-funded research at the time of the awards to ensure that there are no financial barriers to their completion;*
- *seek opportunities for bringing external research funds into IBD research;*
- *ensure the publication of the results of research projects to professional and lay audiences.*

Achievements in 2007:

- ◇ The amount raised for research in 2007 was £367,263.
- ◇ £339,508 was awarded for medical research in 2007 enabling 6 projects to proceed.
- ◇ NACC actively supported the media briefings that ensured the very positive findings on Crohn's Disease from the WTCC genetics study achieved wide publicity.
- ◇ The NACC Social and Psychological Awards Committee was re-formed and applications invited for a new round of grants in 2008. 7 applications were received.
- ◇ NACC published a review of research funded by NACC in 2002-2007 which places the research in context and provides an overview of IBD research for the non-specialist.

Key objectives for 2008:

- To publish a formal NACC research strategy.
- To award funds for research into Living with IBD and the social and psychological impact of IBD on people's lives.
- To consider what Health Services Research needs to be undertaken to provide better evidence for IBD healthcare and define how NACC should approach this.
- To consider opportunities for collaborative IBD applications between NACC and other partners to external research funding bodies.

6. Being an active organisation both in the sense that NACC members and volunteers will take an active role in achieving the objectives that have been agreed and in the sense that NACC will take a leading role in championing the needs and concerns of people affected by Inflammatory Bowel Diseases.

Strategies:

- *promote membership to patients, their families and friends, health professionals and anyone interested in IBD;*
- *maintain volunteer-run groups which provide educational and support meetings, local newsletters, undertake fundraising and ensure a local NACC presence;*
- *encourage and support people to become active volunteers in support of the activities necessary to achieve NACC's objectives;*
- *encourage young people diagnosed with IBD to become involved in NACC;*
- *ensure NACC's volunteer policies and practices meet good practice standards.*
- *encourage fundraising by groups and individuals that raises funds and awareness, but also provides opportunities for mutual support in an informal and enjoyable context.*
- *represent the needs of everyone affected by Inflammatory bowel diseases;*

Achievements in 2007:

Membership

- ◇ Overall membership increased by 2.6% (758 members) in 2007. The figure at the close of the year was 30,203 (2006: 29,445). The number of new members joining during the year was also higher at 3,838 (2006: 3,186) and the proportion ceasing membership was 11% (2006: 11.4%). The new members joining on-line on the NACC website in the year was 2,190, 57% of the total.
- ◇ The proportion of young people (under 30) joining NACC as new members increased from 29% in 2006 to 33% in 2007.
- ◇ NACC introduced free membership for 16 and 17 year olds in September 2007. 23 young people had taken advantage of this offer by the end of the year
- ◇ A reduced subscription is made available on request to anyone who cannot afford the normal subscription because they are on a low income.
- ◇ New members were each provided with a pack of information booklets and all members received their annually-renewed 'Can't Wait' card, quarterly newsletters and the opportunity to be in touch with a NACC Group if they wished.

NACC Groups

- ◇ There are 70 active NACC Groups covering most parts of the United Kingdom and providing invaluable opportunities for patients and their families to find out more about IBD and to meet each other informally.
- ◇ The Groups continued to increase the profile of the Association through local publicity and events. They raised significant funds for national activities, particularly for research, but also supporting local hospital services for IBD. Contributions to local hospitals have usually been to enhance some aspect of service or equipment, and many of the Groups have provided financial support for nurses to attend recognised IBD training courses.
- ◇ Progress was made both in training Group volunteers in responding to calls they receive locally and in providing all Groups with an 0845 telephone number to avoid the necessity for individual volunteers' home telephone numbers to be published.
- ◇ The effectiveness of Groups has often depended on the commitment of relatively few long-serving volunteers, many of whom have IBD themselves. Identifying and developing sufficient new volunteers to maintain continuity can prove difficult and a number of Groups have ceased to function when existing Organising Team volunteers decided to retire.
- ◇ A new style of NACC Group - the Co-ordinated Group – was introduced during 2007. It is hoped that this style of Group will meet the needs of members by being less formal.
- ◇ In 2005, the programme of induction and development days was continued to help local volunteers work effectively within their Groups.

NACC Volunteers

- ◇ NACC encourages the active involvement of members as volunteers in all of its activities. As part of NACC's plan for 2005-2008, NACC is developing support for all volunteering in NACC, co-ordinating overall policies, development and training, and seeking to maximise the opportunities for active participation in all aspects of NACC. We estimate there are 1,000 people currently active as volunteers within NACC.
- ◇ At Group level, several hundred members undertake support, publicity and fundraising as part of NACC's network of 70 Groups throughout the United Kingdom.
- ◇ At national level, NACC provides some national services through volunteers, notably NACC-in-Contact and the Disability Living Allowance Support Service. These 60 volunteers have undergone selection and training for their roles, work to defined policies and procedures and receive regular support. NACC has developed an innovative use of the Public Service Telephone Network using 0845 technology to present a national service number whilst enabling volunteers to provide the service from their own homes.
- ◇ An increasing number of volunteers assist NACC through participation in managing and advisory committees, and in ad hoc working groups. Wherever practicable, the Trustees advertise these opportunities in the NACC newsletter and invite members to apply with a CV. Candidates are then invited for selection before appointment to a committee. This process has enabled the Association to benefit more effectively from the pool of knowledge and expertise that exists within the membership.
- ◇ Over 300 members help directly by offering to tell their stories to the media to assist in raising awareness and understanding of IBD among the public. These members are recruited through the NACC newsletter, using a questionnaire that enables them to outline their 'story' and set limits on the types of media that they are willing to participate in.
- ◇ Many members also give generously of their time to respond to questionnaires which assist IBD research projects, inform NACC's submissions to consultations and underpin the planning of NACC services.

- ◇ NACC employed its first Volunteer Support Officer in 2007 to ensure that its volunteers are supported effectively and efficiently following good practice and the law.
- ◇ NACC recruited Volunteer Associate Trainers during 2007 to help deliver the development days which are open to all NACC volunteers to attend. The development days enable the volunteers to feel confident and have the skills to better serve the NACC members.
- ◇ NACC held its first Volunteer Conference in 2007, which enabled volunteers carrying out different volunteer activities to be trained, share experiences and meet each other.
- ◇ A College and University Project team was formed to look at ways in which NACC information and support can be disseminated in these environments.

Leadership

- ◇ NACC will take a leadership role whenever this seems to be helpful to the interests of IBD patients and their families, for example in the development of national standards for IBD health services and our support of local IBD Patient Panels.

Key objectives for 2008:

- To promote membership more actively by publicity within hospitals and increase the overall number of members of NACC.
- To clarify and promote the categories and benefits of NACC Membership.
- To strengthen the NACC Group Network.
- To hold a combined Volunteer Conference for NACC volunteers and Groups.

7. Working in partnership with Health Service, professional and other patient organisations and with the pharmaceutical industry

Strategies:

- *take a collaborative approach to working with the Health Service nationally and locally throughout the UK;*
- *maintain close links with medical, surgical, nursing and allied health professional associations*
- *seek opportunities for effective partnership with other patient organisations;*
- *be an active member of the European Federation of Crohn's Disease and Ulcerative Colitis Associations and maintain links with other IBD associations around the world;*
- *be an active member of relevant umbrella organisations.*
- *seek opportunities for effective collaboration with relevant pharmaceutical companies within the ethical framework set out in NACC's pharmaceutical relations policy.*

Achievements in 2007:

Links with health professionals

- ◇ NACC had information displays at the annual meetings of BSPGHAN (British Society of Gastroenterology, Hepatology and Nutrition), the BSG (British Society of Gastroenterology), the ACPGBI (Association of Coloproctology) and the Colitis and Crohn's Nurses' Group within the Royal College of Nursing.
- ◇ NACC has formal representation on the IBD Section Committee of the BSG.
- ◇ NACC is playing an active role in the development of national standards for IBD Healthcare through a multi-organisation working group chaired by the Director of NACC.

- ◇ The number of gastroenterologists and surgeons formally linked to NACC as Medical Advisers is about 120. Each NACC Group has at least one appointed Medical Adviser and many advisers also assist with the NACC Publications and with media enquiries.
- ◇ NACC staff and members have taken part in various training courses for health professionals during the year, both locally and nationally.
- ◇ NACC has undertaken a survey and individual visits to hospitals in Scotland to establish how NACC can best support health professionals in Scotland in providing for the needs of IBD patients.

Links with IBD and voluntary sector organisations

- ◇ NACC has continued to be closely involved with EFCCA - the European Federation of Crohn's and Ulcerative Colitis Associations - and regularly exchanges information with other overseas IBD organisations. Links to these are included in the NACC web-site and NACC information is regularly being reproduced overseas.
- ◇ NACC has maintained communication and worked in partnership with other gastroenterology patients' organisations in the UK, particularly the Crohn's in Childhood Research Appeal (CICRA), IA - The Ileostomy and Pouch Support Group, Coeliac UK and the Gut Trust (formerly the IBS Network).
- ◇ Membership or affiliation was also maintained with the Long-term Conditions Alliances in England and Scotland, the Association of Medical Research Charities, the UK Continence Alliance and the Disability Alliance.

Links with pharmaceutical companies

- ◇ NACC agreed a policy for relations with pharmaceutical companies which will govern future activities. This sets out the positive benefits of good working relationships with the industry, encourages multi-company support for NACC and states that financial support from pharmaceutical companies should not be greater than 10% of NACC's income in any year.
- ◇ NACC has produced a Corporate Support Framework with three levels at which companies can provide support for the general work of NACC, with up to half of the funds being designated for specific projects and half unrestricted.
- ◇ NACC received educational support grants of £4,000 from each of the following companies, some in 2006 and some in 2007, towards the costs of the House of Lords Publicity Event and the NACC Information Pack for newly-diagnosed patients – Abbott, Otsuka Pharmaceuticals (UK) Ltd., Procter & Gamble Pharmaceuticals (UK) Ltd., Schering Healthcare Ltd., Schering-Plough, Shire Pharmaceuticals Ltd., SHS Nutricia Ltd., UCB Pharma Ltd.
- ◇ NACC received an educational grant from Procter & Gamble Pharmaceuticals (UK) Ltd. to meet the costs of the NACC Medical Advisers Meeting at the BSG Conference.
- ◇ NACC Merchandise received payments totalling £9,900 from SHS Nutricia Ltd,

Key objectives for 2008:

- To maintain and develop existing links with Health Professional Associations and strengthen the links to paediatric gastroenterology and the primary Care Society of Gastroenterology..
- To continue raising awareness of NACC among health professionals in Scotland.
- To encourage additional support for NACC from pharmaceutical companies within the Corporate Supporter Framework.

8. Fundraising activities

Strategies:

- *raise the funds necessary to sustain the work envisaged, without the essential nature of NACC changing so that it comes to be perceived as primarily a fundraising charity.*

Achievements in 2007:

- ◇ NACC has a small fundraising staff team who provide advice to individuals and groups fundraising for NACC and who are developing NACC's fundraising initiatives at a national level.
- ◇ The team's work is supported by office volunteers and the Fundraising Strategy Committee.
- ◇ The Millennium Walk was again held in three cities during Colitis and Crohn's Week in June – London, Cardiff and York. 617 people took part in the walks raising awareness and donations of £45,000.
- ◇ The first national NACC fundraising day, Red Hot Day, was launched in November. By the end of 2007 NACC had received more than £27,000 from forty-four events.
- ◇ Information on leaving a legacy to NACC was made available on the NACC website and from the NACC Office.
- ◇ A catalogue of NACC merchandise was produced to raise both awareness and funds.
- ◇ The main area of income growth in 2007 continued to be in fundraising activities by individual supporters through events, sponsored runs and walks, and challenge activities and treks.
- ◇ £113,742 was claimed during the year under Gift Aid as a result of a continuing drive to inform members of the scheme. Almost two-thirds of NACC's members have now signed ongoing Gift Aid declarations or informed us that they are not taxpayers.
- ◇ NACC members' subscriptions and donations, together with the funds raised by Groups, provided 32% % of the Association's income in 2007 (2006: 35%).

Key objectives for 2008:

- To increase the funds raised through marathons and runs.
- To review fundraising support materials and fundraising web pages to suggest new ideas, encourage more participation, and promote more effective fundraising.
- To implement a new fundraising database to support all fundraising activities.
- To refresh the image and appeal of the Millennium Walks by re-naming them as NACC's Walks for Colitis and Crohn's and offering additional entertainment.
- To encourage more participation in Red Hot Day.
- To encourage greater participation in the Gift Aid scheme.
- Further to promote legacy giving to members and supporters.
- To seek greater support from charitable trusts and companies
- To review NACC's current fundraising activities, explore the potential for new income sources and develop a new fundraising strategy to meet NACC's future development needs.

Financial Report

The accounts for 2007 are in the format required by the Charity Commissioners – the Statement of Recommended Practice (SORP 2005). This calls for the use of certain terms that require clarification:

Restricted funds – refer to income that has been specified for a particular purpose by the donor, e.g. NACC's Research and Welfare Funds;

Unrestricted funds – refer to donations, grants or other income that has not been specified for a particular purpose by the donor;

Designated funds – refer to unrestricted income that the Trustees have decided to allocate for specific purposes; such funds may subsequently be reallocated by the Trustees.

The figures in the following paragraphs are taken from the Consolidated Statement of Financial Activities ('the SOFA') and from the Notes to the accounts.

Overall position

The overall financial result for the year is shown in the SOFA on page 3 of the accounts. This reports the total income, expenditure and resources relating to all aspects of NACC's activities in the year: including the work of the charity at national level, of its Groups at the local level and the contribution from its trading company, NACC Merchandise Ltd.

As these accounts represent the first year of NACC as a company there are no comparative figures in the accounts themselves. In this report figures given for 2006 and earlier relate to the unincorporated charity.

In 2007 there was an overall deficit for the group of £79,817 (2006: surplus: £9,617).

Restricted Funds

The figures discussed in the following paragraphs are drawn from Notes 15 and 23 to the accounts.

Research Fund

The national Research Fund received £336,381 in donations and interest; in addition NACC Groups transferred £68,189 from their fundraising. The Fund's total income was therefore £404,570 and the total for Resources expended was £372,004 producing a deficit for the year of £32,556 (2006: £49,352 surplus).

Resources expended include £342,658 grant expenditure and £29,346 grant support costs. The costs of administering the research grants amounted to 8.6% of grant expenditure.

The sum of £978,243 was carried forward for distribution in 2008

Welfare Fund

NACC received £31,517 in donations and investment income for Welfare and NACC Groups transferred a further £8,374 from their funds. The Fund's total income was therefore £39,891. Grants awarded and support costs amounted to £44,400 producing an overall deficit of £4,509 for the year (2006: £2,920 deficit). The costs of administering the welfare grants amounted to 6.4% of grant expenditure.

£47,994 was carried forward to 2008.

Unrestricted and designated funds

The figures discussed in the following paragraphs are drawn from the SOFA and Notes 15 and 22 to the accounts.

Designated funds have been created to hold money set aside by the Trustees for particular purposes. These are to support projects or developments not included within the Association's normal annual budget, to cover any potential liabilities arising from the office lease, to meet the annual depreciation costs of the capital expenditure on premises and equipment, and to hold unrestricted legacy funds for future allocation to specific projects.

The Trustees' policy is to maintain a clear distinction between ongoing expenditure, which they aim to cover from dependable sources of income, and 'one-off' projects or new developments, which are funded from special fundraising or from legacy income that may vary unpredictably from year to year.

Total unrestricted income from national and Group activities was £1,278,943 (2006: £1,320,438). Expenditure was £1,383,515 resulting in an operating deficit of £104,572 overall. There were net transfers of £56,608 out of unrestricted funds, mainly Group unrestricted income transferred to the national Research and Welfare Funds, increasing the deficit to £161,180 (2006: £18,281 surplus).

NACC Groups

There were accounts from 69 Groups. In aggregate, their accounts show total income raised as £155,884, local expenditure amounting to £67,421 and net transfers to National Funds totalling £105,569. Group transfers to National Funds represented 68% of their total income. Overall the funds held by Groups reduced by £17,106 in the year.

Reserves

Unrestricted Funds

The General Reserve Fund exists to safeguard and underwrite NACC's continuing activities in the event of a temporary reduction in income. The Trustees' policy is to maintain uncommitted reserves in the national General Reserve Fund to a level equivalent to 20 weeks' normal running costs. NACC's normal running costs are currently about £1.5 million. At the end of 2007 free reserves were £568,031 representing approximately 20 weeks running costs (2006: 20 weeks). With the growing scope and extent of NACC activities to meet the objectives set out in the NACC Plan, the Trustees anticipate that in 2008 NACC may have to draw upon these reserves.

Restricted Funds.

These funds have been given for specific aspects of NACC's work and cannot be utilised to respond to a shortfall in NACC's General Income. The reserves of the Welfare Fund equate to 1.4 times current annual expenditure on individual grants due to a significant legacy received some years ago.

The funds held in the Research Fund at the year end reflect the fact that, although applications were received for the Grant Programme for Social and Psychological Research

in 2007, the awards will be made in 2008. Of the balance at year-end, £250,000 has been designated for these awards. £300,000 will be allocated to medical research awards and £100,000 to IBD Health Services Research.

Cost of generating funds.

One indicator of a charity's efficiency is seen as the cost of generating funds as a percentage of the charity's total incoming resources. In 2007 this was 17% (2006: 12.8%; 2005: 12.6%).

Gift Aid

The Trustees review each year how the Gift aid reclaimed from the Inland Revenue should be allocated to the various aspects of NACC's work and base their decision on what they believe to be in the best interests of people living with IBD at the time. For 2007, the Trustees allocated the Gift Aid claimed from subscriptions and donations to the General, Research and Welfare Funds in the same proportion as the funds to which members directed their donations.

Investments and property

NACC Funds are placed in a high interest bearing Deposit Account with Birmingham Midshires via the Charities Aid Foundation so that NACC has no investments subject to the vagaries of the stock market.

NACC has a 15-year lease, ending September 2015, on its office accommodation in St Albans, which is held in the name of NACC Nominees Ltd. The Directors of NACC Nominees Ltd are the NACC Trustees.

Grant-making Policies

Personal Grants

Personal grants are made from the Welfare Fund and are decided by a small committee of members including two Trustees. All information pertaining to the applications is held confidentially. Grants are made to people on low incomes and with specific needs arising from IBD. The normal maximum grants are £300 under the general scheme and £500 under the Young Persons' Assistance scheme.

Research Grants

Grants are made following nationally-publicised advertisements. Applications are considered by members of the Awards Committees, comprising academic and medical specialists as well as lay NACC representatives. External specialist referees are asked to comment confidentially on applications. Grants are normally made for periods of up to three years, with reports required at annual intervals. Funds are normally set aside for the total cost of the project in the year of award.

Local Grants

NACC Groups sometimes make grants to their local hospitals to support or enhance aspects of their provision for IBD patients. Grants have to be made according to the policy guidelines approved by the Trustees and cannot be made for items that should be NHS funded. Group grants have to be specifically approved and a matching amount has to be given by the Group to NACC's national funds.

NACC Merchandise Ltd

NACC Merchandise Ltd recorded a net profit in the year of £27,110, before making a gift aided donation of £27,092 to the Charity (*2006 £13,032, gift aid £13,190*). The main activity of the company continues to be the sale of NACC Christmas Cards to members through mail order although additional merchandise items are being made available. In addition, the company received £12,188 in donations for NACC given with Christmas Card orders which were passed direct to the charity.

Risk Assessment

The Trustees, with input from the Director and staff, have conducted a review of the risks to which NACC is exposed in its ongoing activities and, in particular, the Trustees considered:

- the type of risks the charity faces;
 - the level of risks which they regard as acceptable;
 - the likelihood of the risks concerned materialising;
 - NACC's ability to reduce the incidence and impact of risks that have been identified;
- and
- the costs of operating particular controls relative to the benefit obtained.

The Trustees review risks in relation to any new developments proposed and Committees and management are required to conduct at least annual reviews of the areas for which they are responsible. NACC's Committees and management have also been made aware of the need to communicate quickly to the Trustees any significant new or increased risks as and when they arise together with proposals as to how the Trustees can respond to them. The most significant risks are highlighted in the Strategic Review.

Strategic Overview 2007 and Direction for 2008

Review of 2007

The Trustees are satisfied with the progress made towards achieving the objectives set out in NACC's Plan for 2005-2008. Considerable progress was made in all areas in 2007 as described in detail above and there has been sustained internal development in terms of evaluating services and activities, additional and changing staff roles, greater support for and flexibility in Group activities and increasing emphasis on active volunteer recruitment and participation. These developments are continuing and are essential to the delivery of the Plan.

As the scope and complexity of our work grows, probably the biggest challenge we face is to develop the capacity and effectiveness of our organisation in every way – staff, volunteers and sustainable funding – without diminishing the personal 'feel' of NACC's origins as a self-help and mutual aid association. Key to maintaining this special quality are the personal relationships between members, volunteers and staff, which are time-intensive to develop and sustain. Our capacity to sustain all our current activities, to develop the additional areas of work that are becoming apparent and still give the necessary time and quality to our personal interactions throughout NACC will be significantly influenced by whether we can increase our income over the coming years. The deficit in unrestricted income that has been experienced in 2007, whilst manageable within NACC's reserves, is an indication of the growing significance of future income levels.

The current NACC Plan will be largely completed by the end of 2008 and the Trustees have begun during 2007 to prepare our strategic plan for 2009-2012. Much of NACC's work will continue along present lines, but there are significant issues for people living with IBD that NACC has not yet tackled and we hope to address some of these in the next Plan.

Looking forward to 2008 the key strategic issues for NACC are:

- Increasing public and political awareness as this underpins the understanding of the needs of IBD patients individually and collectively;
- Establishing political support for the consensus statement on the quality of the healthcare services that should be available to people who have IBD;
- Finding ways to involve more young people with IBD in NACC so that they can benefit earlier in their lives from the support, knowledge and experience that people can offer to each other;
- Identifying more ways for people who have IBD to come together and help each other in living with IBD;
- Deciding how far NACC needs to respond differently to the different environments and needs in the four countries of the United Kingdom;
- Identifying how NACC can promote and support more research into all aspects of IBD.
- Undertaking a review of NACC's internal organisation and management arrangements to ensure that these are sufficient and effective for the coming years.
- Identifying sources of new or additional income to support our work – at current levels of activity we have to raise over £1.5 million to fulfil our plans for 2008 and this higher level needs to be sustained.;
- Finalising NACC's strategic plan for 2009-2012.

Acknowledgements

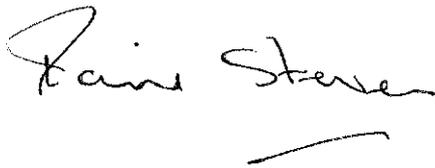
The Trustees would like to record their thanks and appreciation to all those who continue to make NACC's work possible - the many people who individually or in Groups have raised funds for NACC, the charitable trusts and companies who have given their support, the volunteers in our NACC Groups, NACC-in-Contact and DLA Support Services, those who support NACC activities or serve on our committees, our medical advisers and, not least, the Director, Senior Managers and staff at the NACC Office in St Albans.

Audit information

So far as each of the directors at the time the trustees' report is approved is aware

- a) there is no relevant information of which the auditors are unaware; and
- b) they have taken all relevant steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Annual report and Accounts were approved by the Trustees at a Council meeting on 20th March 2008 and were authorised to be signed by the Chairman on their behalf.

A handwritten signature in black ink that reads "Elaine Steven". The signature is written in a cursive style with a horizontal line underneath.

Elaine Steven, Chairman
11th April 2008

Trustees, Officers and Advisers

From 1st January 2007 to the date of signing of this Report and Accounts, the honorary officers, trustees and committee members were as follows (* indicates no longer serving):

Life President:

Professor Lennard-Jones

Vice-Presidents:

Margaret Chandler

Rod Mitchell

Bradley Brown

NACC Council:

Honorary Officers:

Elaine Steven (*Chairman*)

Nigel Westwood (*Vice-Chairman*)

Stella Donoghue (*National Treasurer*)

Ray Millar (*Council Secretary*)

Elected Trustees:

Stuart Berliner

Denise Cann

*Jefferson Cann (*until April 2007*)

John Clarke

*Gloria Fleming (*until April 2007*)

Dr Martin Gay

Gerald Gregory

Kati Maskell (*from April 2007*)

Tim Mutum

John Stanley (*from April 2007*)

Advisers Co-opted onto Council:

Professor Subrata Ghosh

Dr Jeremy Sanderson

Dr Miles Parkes

Professor Christine Norton

Kati Maskell (*until April 2007*)

Ben Wilson

Medical Advisers Committee:

Professor Subrata Ghosh (*Chairman*)

Dr Jeremy Sanderson (*Vice-Chairman*)

Dr Miles Parkes (*Secretary*)

Personal Grants Committee:

Bradley Brown (*Chairman*)

Denise Cann (*from April 2007*)

Dr Martin Gay

Ray Millar

Helen Terry

Julia Devereux

Family Committee:

(*this committee ceased in 2007, replaced by an annual Family Support Review Meeting*)

Senior Staff:

Richard Driscoll (*Director*)

Helen Terry

(*Information and Support Services Manager*)

Heather Baumohl

(*Group and Volunteer Development Manager*)

Andrew Shanks

(*Finance and Administration Manager*)

*Eleanor Shearn

(*Fundraising Manager, until December 2007*)

Group and Membership Activities Committee

Nigel Westwood (*Chairman*)

*Richard Bond (*until January 2008*)

*Emma Livesey (*until October 2007*)

Ray Millar

Tim Mutum

Julie Reynolds

Gail Walford

Ben Wilson

Heather Baumohl

Richard Driscoll

Wendy Childs

IBD Health Services Committee:

Elaine Steven (*Chairman*)

David Barr

Peter Canham

Mike Hilton

Margaret Hughes

Martin Gay

Andy Player

Nigel Westwood (*from April 2007*)

Richard Driscoll

Helen Terry

Heather Baumohl

Information & Support Services Committee

*Elaine Steven (*Chairman, until February 2008*)
Tim Mutum (*Chairman, from February 2008*)
Bradley Brown
Denise Cann
Dawn Carter
Glenys Davies
Charlotte Gosden
Gerald Gregory
Tessa Lees
Judy Murphy
Dr Tim Orchard
Rebecca Weeden (*from July 2007*)
Richard Driscoll
Helen Terry
Deirdre Choo

NACC-in-Contact Committee Managing Team

Dawn Carter (*Chairman*)
Emma Livesey (*Vice-Chairman*)
Denise Cann
Tania Clarke
*Zoe Grainge (*until January 2007*)
Tessa Lees
Clair McNamara
*Charles Melean (*until January 2007*)
Elina Bloomfield
*Stella Leigh (*until December 2007*)
Helen Terry

Fundraising Strategy Committee

Jefferson Cann (*Chairman, until April 2007*)
Elaine Steven (*Chairman, from April 2007*)
Stuart Berliner
Gerald Gregory
*Elizabeth Rex (*until November 2007*)
Gerry Thomas
Richard Driscoll
Heather Baumohl
*Eleanor Shearn (*until December 2007*)
Marie Daley
Geraldine Tunnicliffe
Lesley Eames

Auditors:

Kingston Smith LLP
Devonshire House
60 Goswell Road
London EC1M 7AD

Solicitors:

Bates, Wells & Braithwaite
2-6 Cannon Street
London EC4M 6YH

Medical Research Awards Committee:

Professor Derek Jewell (*Chairman*)
Dr Tim Card
Professor John Cummings
Alan Dearlove
Professor Subrata Ghosh
*Dr Satish Keshav (*until October 2007*)
Dr John Mansfield
Bharat Odedra
Dr Miles Parkes
Dr Jeremy Sanderson
Jo Spencer
Professor Brendan Whittle
Richard Driscoll

'Living with IBD' Research Awards Committee

John Clarke (*Chairman*)
Denise Cann
Professor Stanton Newman
Professor Christine Norton
Professor Tricia Sloper
Elaine Steven
Dr Gillian Thomas
Richard Driscoll

Directors of trading subsidiary:

NACC Merchandise Ltd:
Rodney Mitchell (*Chairman*)
Stella Donoghue (*Company Secretary*)
Elaine Steven

Bankers:

Lloyds TSB plc
36 Chequer Street
St Albans
Herts AL1 3YQ

The National Association for Colitis and Crohn's Disease Trustees' Responsibilities

The trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial period in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Auditors' Report to the Trustees of The National Association for Colitis and Crohn's Disease

We have audited the group and parent charitable company financial statements of The National Association for Colitis and Crohn's Disease for the period ended 31st December 2007 which comprise the group Statement of Financial Activities, the group and charitable company Balance Sheets and the related notes. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken for no purpose other than to draw to the attention of the charitable company's members those matters which we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Trustees and Auditors

The responsibilities of the trustees (who are also the directors of The National Association for Colitis and Crohn's Disease for the purposes of company law) for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether, in our opinion, the information given in the Trustees' Report is consistent with the financial statements. In addition we report to you if, in our opinion, the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and other transactions is not disclosed.

We read the Trustees' Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of Audit Opinion

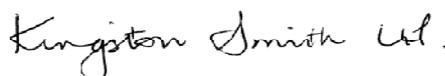
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with the United Kingdom Generally Accepted Accounting Practice, of the state of the group and charitable company's affairs as at 31st December 2007 and of the group's incoming resources and application of resources, including the income and expenditure of the group for the period then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information provided in the Trustees' Annual Report is consistent with the financial statements.



Devonshire House
60 Goswell Road
London EC1M 7AD
14th April 2008

Kingston Smith LLP
Chartered Accountants
and Registered Auditors

The National Association for Colitis and Crohn's Disease
Consolidated Statement of Financial Activities
(Incorporating the Income & Expenditure Account)
For the period ended 31st December 2007

	Note	Unrestricted funds (inc. designated funds note 22)	Restricted funds	Total funds 2007
		£	£	£
Incoming resources				
Incoming resources from generated funds				
Voluntary income:				
Donations and similar income	2	340,123	255,163	595,286
Legacies		76,978	36,000	112,978
Activities for generating funds	3	601,011	64,012	665,023
Investment income and interest	4	54,041	106,304	160,345
Incoming resources from charitable activities	5	<u>284,510</u>	<u>35,309</u>	<u>319,819</u>
Total incoming resources		<u>1,356,663</u>	<u>496,788</u>	<u>1,853,451</u>
Resources Expended				
Cost of generating funds		370,169	8,788	378,957
Charitable activities				
Grantmaking		6,835	427,893	434,728
Information line, booklets and newsletters		370,203	17,099	387,302
Raising awareness		97,899	2,119	100,018
Policy & Campaigns		135,082	10,805	145,887
NACC Groups		203,585	567	204,152
NACC in Contact		38,458	-	38,458
Membership costs		135,852	-	135,852
Family and young people support		59,703	4,780	64,483
Governance	6	<u>43,431</u>	<u>-</u>	<u>43,431</u>
Total resources expended	6	<u>1,461,217</u>	<u>472,051</u>	<u>1,933,268</u>
Net expenditure/(income) for the period		(104,554)	24,737	(79,817)
Transfers between funds	15	<u>(56,608)</u>	<u>56,608</u>	<u>-</u>
Net movement in funds for the period		(161,162)	81,345	(79,817)
Fund balances transferred at				
1st January 2007		<u>1,533,630</u>	<u>1,090,617</u>	<u>2,624,247</u>
Fund balances carried forward at 31st December 2007 (page 4)		<u>1,372,468</u>	<u>1,171,962</u>	<u>2,544,430</u>
		Note 22	Note 23	

All gains and losses arising in the period are included in the Statement of Financial Activities and arise from continuing operations.

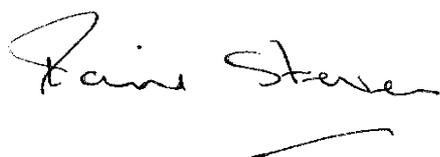
The net expenditure of the Charitable Company for the period was £79,835.

The funds of the National Association for Colitis and Crohn's Disease registered charity number 282732 were transferred to this entity at midnight on 31st December 2006 at which point the Company began to trade. As this is the first accounting period of the new entity there are no comparative figures.

The National Association for Colitis and Crohn's Disease Balance Sheets at 31st December 2007

	Note	Group* 2007 £	Charity 2007 £
Fixed assets			
Tangible assets	16	122,211	122,211
Investment	17	-	1
		122,211	122,212
Current assets			
Stock of goods for resale		18,515	-
Debtors	18	86,543	116,964
Cash at bank and in hand	19	3,093,291	3,055,774
		3,198,349	3,172,738
Creditors: amounts falling due within one year	20	(776,130)	(761,374)
Net current assets		2,422,219	2,411,364
Total net assets		2,544,430	2,533,576
Funds			
Unrestricted funds			
Designated funds held nationally	22	623,263	623,263
General Reserve Fund held nationally		568,031	568,031
Unrestricted funds held by NACC Groups		170,320	170,320
Non charitable trading funds		10,854	-
Total unrestricted funds		1,372,468	1,361,614
Restricted funds			
Held nationally	23	1,090,147	1,090,147
Held by NACC Groups		81,815	81,815
Total restricted funds		1,171,962	1,171,962
Total funds		2,544,430	2,533,576

The accounts, which comprise the consolidated statement of financial activities, the balance sheets and the related notes, were approved by the Council of Trustees on 20th March 2009 and signed on its behalf on 11th April 2008 by:



Elaine Steven

Chairman

*Group represents the consolidation of the charity with its trading company.

The National Association for Colitis and Crohn's Disease

Notes to the Accounts

For the period ended 31st December 2007

1 Accounting policies

Basis of accounting

The accounts have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice for Charities "Accounting and Reporting by Charities" (2005), the Companies Act 1985 and applicable accounting standards.

Group financial statements

These financial statements consolidate the results of the charity and its wholly owned trading subsidiary NACC Merchandise Limited, on a line by line basis. A separate statement of financial activities (SOFA) is not presented because the charity has taken advantage of the provisions of paragraph 397 of the SORP.

NACC Groups

The charity had 69 local groups that were active to some degree during the year. All active groups are required to make returns of income and expenditure for the year which are consolidated in the financial statements. By the nature of the charity, however, the deadline for returns to be received cannot always be met which means that some results are omitted, and some groups are inactive. Returns had not been received from 3 groups at the time of the audit.

Income

- i) All income is included in the accounts without netting off expenditure.
- ii) Members' subscriptions are taken to income in full in the period of receipt.
- iii) Investment income is taken to income when received and then allocated annually to the various funds in proportion to their average balance throughout the period.
- iv) Donations received are treated as unrestricted funds unless they are specifically designated by the donor for either research or the welfare of sufferers, in which cases they are kept in the separate funds. All donations received "in memory" are treated as research unless the donor specifies otherwise.
- v) Legacies are included in the financial statements as soon as their receipt can be anticipated with a high degree of certainty. This frequently coincides with the funds being received.

Expenditure

- i) Expenditure is charged on an accruals basis.
- ii) The full cost of booklets, leaflets etc. is charged in the period the expenditure is incurred.
- iii) Research grants are charged to expenditure at the time they are allocated.

Grants are allocated to cover the cost of equipment and/or the salaries of research staff.

The majority of grants, which can be for more than one year, are paid quarterly in arrears. For administrative reasons it can take some time for the grantee to appoint suitable staff and consequently some grants may remain partly unpaid at the period end.

Full provision is made for amounts allocated but not yet paid and this provision is shown as a creditor falling due within one year.

- iv) The majority of costs are directly attributable to specific activities. Costs incurred in respect of the charitable activities include elements of staff costs and attributable support costs.
- v) Support costs are those costs which are common to all areas of the organisation including premises and office operating costs. These are allocated across all areas of activity on the basis of staff time spent on each activity.
- vi) Governance costs include both the direct costs of the charity meeting its statutory obligations and a portion of officer and overhead time spent on the strategic direction of the organisation and compliance with constitutional and statutory requirements.

The National Association for Colitis and Crohn's Disease

Notes to the Accounts

For the period ended 31st December 2007 (continued)

1 Accounting policies (continued)

Stocks

Stocks of goods for resale are valued at the lower of cost and net realisable value.

Capitalisation and depreciation of tangible fixed assets

All assets costing more than £500 are capitalised at the cost to the charity.

With the exception of leasehold improvements, depreciation is provided in respect of fixed assets at a rate of 25% per year which rate it is believed fairly reflects the average estimated life of the charity's assets. Leasehold improvements are depreciated over the life of the lease.

Fixed asset investments

Fixed asset investments are included at market value at the balance sheet date. Any gain or loss on revaluation is taken to the SOFA.

Pension Contributions

The charity makes contributions for employees to a group personal pension scheme. This is a defined contribution scheme to which the Association makes employer's contributions of 8% of gross pay. Where employees prefer to maintain their personal pension schemes similar employer contributions are made.

Funds Accounting

Funds held by the charity are:

Unrestricted general funds - these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Designated funds - these are funds set aside by the trustees out of unrestricted general funds for specific future purposes in accordance with the development plans of the organisation and to enable the completion of existing projects.

Restricted funds - these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular purposes.

These funds are further divided between those held Nationally and those held by NACC Groups. Further explanation of the nature and purpose of each fund is included in the notes to the accounts.

Operating leases

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged to the SOFA as they arise.

2 Donations, and similar incoming resources

	2007
	£
Donations from members	205,907
Donations to NACC Groups	70,003
Other donations	319,376
	595,286
	595,286

The National Association for Colitis and Crohn's Disease

Notes to the Accounts

For the period ended 31st December 2007 (continued)

3	Income from activities for generating funds	2007
		£
	National fundraising	471,514
	NACC Groups' fundraising	72,129
	Turnover of Trading Subsidiary (note 10)	104,176
	Other income	<u>17,204</u>
		<u><u>665,023</u></u>

4	Investment income and interest	2007
		£
	Other Interest - Charity	159,708
	- Trading Subsidiary (note 10)	<u>636</u>
		<u><u>160,344</u></u>

5	Income from activities in furtherance of the objects	2007
		£
	Subscriptions	284,510
	Grants	<u>35,309</u>
		<u><u>319,819</u></u>

6	Resources Expended	Direct staff	Other direct	Support	Total
		costs	costs	Costs	2007
		£	£	£	£
	Cost of generating funds (note 9)	141,236	173,356	64,365	378,957
	Charitable activities				
	Grantmaking (note 11)	13,834	414,590	6,304	434,728
	Information line, booklets and newsletters	144,004	177,672	65,626	387,302
	Raising awareness	17,660	74,310	8,048	100,018
	Policy & Campaigns	16,203	122,300	7,384	145,887
	NACC Groups	109,516	44,727	49,909	204,152
	NACC in Contact	21,186	7,617	9,655	38,458
	Membership costs	70,151	33,731	31,970	135,852
	Family and young people support	31,426	18,736	14,321	64,483
	Governance (note 12)	<u>7,824</u>	<u>32,041</u>	<u>3,566</u>	<u>43,431</u>
		<u><u>573,040</u></u>	<u><u>1,099,080</u></u>	<u><u>261,148</u></u>	<u><u>1,933,268</u></u>
		(note 7)		(note 8)	

The National Association for Colitis and Crohn's Disease
Notes to the Accounts
For the period ended 31st December 2007 (continued)

7	Staff costs	2007
		£
	Wages and salaries	524,461
	Social security costs	50,379
	Pension costs	31,998
		606,838
		606,838
	Direct costs	573,040
	Support costs	33,798
		606,838
		606,838

The average number of staff and the allocation of their time was:

	NO.
Charitable activities	
Direct	19.95
Support	0.90
Governance	0.15
Cost of generating funds	4.00
	25.00
	25.00

Of the staff employed, only 12 work full time.
No member of staff was paid more than £60,000 in the period.

8	Support Costs	2007
		£
	Staff costs	33,798
	Other staff related costs	7,798
	Premises	100,285
	Office operating costs	103,205
	Other costs	16,062
		261,148
		261,148

Included in support costs are the following:

Depreciation	27,361
Property rental	44,729
	72,090
	72,090

Support costs are allocated across the activity areas of the charity on the basis of direct staff time related to that activity.

9	Other Direct Cost of generating funds	2007
		£
	Costs of Trading Subsidiary (note 10)	77,702
	National fundraising direct costs	76,753
	NACC Groups' fundraising	18,901
		173,356
		173,356

The National Association for Colitis and Crohn's Disease

Notes to the Accounts

For the period ended 31st December 2007 (continued)

10 Trading Subsidiary

The charity has a wholly owned trading subsidiary NACC Merchandise Limited, a company incorporated in the UK. The company sells Christmas cards and other products. The company gift aids its taxable profits to NACC. A summary of the trading results of the company is shown below. Audited accounts have been filed with the Registrar of Companies.

	2007
	£
Profit and loss account	
Turnover	104,176
Cost of sales	<u>(62,470)</u>
Gross profit	41,706
Distribution costs	<u>(10,564)</u>
Administration expenses	<u>(4,668)</u>
Interest receivable	<u>636</u>
Net profit	27,110
Amount gift aided to NACC	<u>(27,092)</u>
Profit on ordinary activities	18
Retained profit brought forward	<u>10,836</u>
Retained profit carried forward	<u><u>10,854</u></u>

11 Grant making direct costs

Grant making direct costs comprise:

	2007
	£
Grants made	
Personal grants	41,746
Research	342,658
Other - NACC Groups	<u>18,324</u>
	402,728
Direct costs of grant making process	<u>11,862</u>
	<u><u>414,590</u></u>

Welfare grants

Grants are made by NACC's Personal Grants Committee to individual people who have a particular need arising as a result of their inflammatory bowel disease. The maximum level of basic grant in 2007 was £500. 124 grants were made in the year totalling £41,746.

Research grants

Grants are made by NACC's Research Committees to fund research projects that have been approved by peer review. Grants may be for equipment, consumables or salaries. The institutions to which grants were paid in 2007 are listed below. NACC does not contribute to the overhead costs of such institutions.

	2007
	£
Joint NACC/Core Research Fellow	75,000
Royal London Hospital	100,000
University College, London	30,127
University of Bristol	67,106
Kings College, London	67,275
Loughborough University (Social and Psychological award)	<u>3,150</u>
	<u><u>342,658</u></u>

Other grants

In addition NACC Groups raised funds for local hospital projects to which grants totalling £18,324 were made.

The National Association for Colitis and Crohn's Disease
Notes to the Accounts
For the period ended 31st December 2007 (continued)

12	Governance direct costs	2007
		£
	Auditors' remuneration - current year	14,000
	Auditors' remuneration - prior year under provision	634
	Legal and professional expenses	16,440
	Other expenses	967
		<u>32,041</u>

13 Transactions with trustees

No trustee received any remuneration for their services as a trustee.

A total of £16,384 was reimbursed to 12 trustees in respect of travelling expenses and other costs incurred in carrying out their responsibilities as trustees.

14 Lease rentals

The charity is committed to making payments of £ 44,729 per annum in respect of rent in the next year. The lease expires after more than five years.

15 Transfers

Transfers are made for a variety of reasons, between types of funds and between National Funds and NACC Groups. The note below illustrates these:

	Unrestricted Funds £	Designated Funds £	Restricted Funds £
National			
Transfers to NACC Groups' funds	(2,000)	-	-
Transfers from NACC Groups' funds	29,005	-	76,563
Transfers (from)/to designated funds	<u>121,519</u>	<u>(121,519)</u>	<u>-</u>
Total national funds	<u>148,524</u>	<u>(121,519)</u>	<u>76,563</u>
NACC Groups			
Transfers from National	2,000	-	-
Transfers between NACC Groups' funds	(56,608)	-	56,608
Transfers to national funds	<u>(29,005)</u>	<u>-</u>	<u>(76,563)</u>
Total NACC Groups	<u>(83,613)</u>	<u>-</u>	<u>(19,955)</u>
Total funds	<u>64,911</u>	<u>(121,519)</u>	<u>56,608</u>
	(note 22)	(note 22)	(note 23)

The National Association for Colitis and Crohn's Disease
Notes to the Accounts
For the period ended 31st December 2007 (continued)

16 Fixed assets

All assets held for use by the charity.

Charity	Leasehold premises	Equipment and furniture	NACC Groups	Total
Cost	£	£	£	£
Transferred 1st January 2007	156,876	57,524	1,616	216,016
Additions	31,877	16,203	600	48,680
Disposals	-	-	(483)	(483)
	<u>188,753</u>	<u>73,727</u>	<u>1,733</u>	<u>264,213</u>
Carried forward at 31st December 2007				
Depreciation				
Transferred 1st January 2007	76,607	37,101	1,296	115,004
Charge for the period	11,907	15,104	350	27,361
Disposals	-	-	(363)	(363)
	<u>88,514</u>	<u>52,205</u>	<u>1,283</u>	<u>142,002</u>
Carried forward 31st December 2007				
Net book value				
At 31st December 2007	<u>100,239</u>	<u>21,522</u>	<u>450</u>	<u>122,211</u>
Group*				
Cost	£	£	£	£
Transferred 1st January 2007	156,876	58,915	1,616	217,407
Additions	31,877	16,203	600	48,680
Disposals	-	-	(483)	(483)
	<u>188,753</u>	<u>75,118</u>	<u>1,733</u>	<u>265,604</u>
Carried forward at 31st December 2007				
Depreciation				
Transferred 1st January 2007	76,607	38,492	1,296	116,395
Charge for the period	11,907	15,104	350	27,361
Fully depreciated assets written off	-	-	(363)	(363)
	<u>88,514</u>	<u>53,596</u>	<u>1,283</u>	<u>143,393</u>
Carried forward 31st December 2007				
Net book value				
At 31st December 2007	<u>100,239</u>	<u>21,522</u>	<u>450</u>	<u>122,211</u>

*Group represents the consolidation of the charity with its trading company.

The National Association for Colitis and Crohn's Disease
Notes to the Accounts
For the period ended 31st December 2007 (continued)

17 Investments	Group	Charity
	2007	2007
	£	£
Investment in subsidiary (note 10)	<u>-</u>	<u>1</u>
	<u><u>-</u></u>	<u><u>1</u></u>
18 Debtors	Group	Charity
	2007	2007
	£	£
All amounts fall due within one year		
Balance with trading subsidiary	-	38,856
Prepayments	27,796	27,371
Tax recoverable	38,152	38,152
Other debtors	4,010	4,000
Accrued income	16,585	8,585
	<u>86,543</u>	<u>116,964</u>
	<u><u>86,543</u></u>	<u><u>116,964</u></u>
19 Analysis of cash at bank and in hand	Group	Charity
	2007	2007
	£	£
Current accounts and cash balances	63,888	26,371
Interest-bearing account balances	2,782,823	2,782,823
NACC Groups	246,580	246,580
	<u>3,093,291</u>	<u>3,055,774</u>
	<u><u>3,093,291</u></u>	<u><u>3,055,774</u></u>
20 Creditors: amounts falling due within one year	Group	Charity
	2007	2007
	£	£
Unpaid balances of research grants	546,336	546,336
Trade creditors	181,516	171,545
Social security and other taxes	19,910	16,725
Other creditors	5,500	5,500
Accruals and deferred income	22,868	21,268
	<u>776,130</u>	<u>761,374</u>
	<u><u>776,130</u></u>	<u><u>761,374</u></u>

Outstanding pension contributions included in other creditors amounted to £3,523.

21 Capital commitments

At 31st December 2007 the charity had no capital commitments.

The National Association for Colitis and Crohn's Disease

Notes to the Accounts

For the period ended 31st December 2007 (continued)

22 Unrestricted funds		Transferred on incorporation	Incoming resources	Resources expended	Transfers	Carried forward
		£	£	£	£	£
Designated funds						
Contractual liabilities	(a)	100,000	-	-	(100,000)	-
Dilapidations	(a)	-	-	-	100,000	100,000
Legacies - reserved for future special projects	(c)	407,681	76,978	-	(179,550)	305,109
Heyman Bursary	(b)	103,586	10,370	(18,013)	-	95,943
Improving Health Services for IBD	(d)	3,024	-	(3,024)	-	-
Student support activities	(d)	3,500	-	(3,500)	-	-
Group & volunteer development	(d)	25,000	-	(25,000)	-	-
Fixed assets	(e)	68,608	-	(27,011)	80,614	122,211
Policy & Campaigns	(d)	7,672	-	(7,672)	-	-
Millennium Walk	(f)	34,803	-	(12,220)	(22,583)	-
Designated total		<u>753,874</u>	<u>87,348</u>	<u>(96,440)</u>	<u>(121,519)</u>	<u>623,263</u>
Other unrestricted funds						
General Reserve Fund held nationally		570,811	1,096,292	(1,247,596)	148,524	568,031
Non charitable trading funds		10,836	77,720	(77,702)	-	10,854
NACC Groups		198,109	95,303	(39,479)	(83,613)	170,320
Total		<u>1,533,630</u>	<u>1,356,663</u>	<u>(1,461,217)</u>	<u>(56,608)</u>	<u>1,372,468</u>

- (a) Following incorporation it was agreed that the contractual liabilities fund is no longer required. It has therefore been transferred to a dilapidations fund which it is intended will cover costs if the current lease is surrendered.
- (b) The Heyman Bursary has been established from a legacy to act as an expendable endowment for the development of specialist nursing for IBD. An allocation will be made to the fund each year of a portion of interest earned.
- (c) The legacies for future special projects fund was established to ensure that these funds are used for major projects to be designated by the trustees.
- (d) These funds were established in respect of special projects agreed by the trustees to be funded from legacies received.
- (e) The fixed asset fund represents sums set aside for the purchase of fixed assets and is written off in line with the depreciation charge for the assets acquired. In line with best practice it has been increased in 2007 to represent all fixed assets held by the charity.
- (f) The Millennium Walk was a national fund raising event, the proceeds of which are to be used for discrete projects as directed by the trustees.

The National Association for Colitis and Crohn's Disease

Notes to the Accounts

For the period ended 31st December 2007 (continued)

23 Restricted funds	Transferred on incorporation	Incoming resources	Resources expended	Transfers	Carried forward
National	£	£	£	£	£
Research	945,677	336,381	(372,004)	68,189	978,243
Welfare	52,503	31,517	(44,400)	8,374	47,994
Other projects					-
Scotland legacy	1,305	-	(1,305)	-	-
Sidney Hulin Legacy	20,000	-	-	-	20,000
Janet Ticehurst Legacy	-	35,000	-	-	35,000
Parent to Parent & Families	-	4,780	(4,780)	-	-
BSG & Birmingham Conference	-	2,119	(2,119)	-	-
Surveys	-	3,500	(3,500)	-	-
Nursing Awards	-	6,000	(6,000)	-	-
Information Radar keys	-	5,610	-	-	5,610
Information Website	-	3,300	-	-	3,300
Information (Glaxo)	-	10,000	(10,000)	-	-
Total restricted funds held Nationally	1,019,485	438,207	(444,108)	76,563	1,090,147
NACC Groups					
Research	27,028	30,882	(3,589)	(24,421)	29,900
Welfare	534	425	-	(425)	534
Local projects	43,570	27,274	(24,354)	4,891	51,381
Total restricted funds held by NACC Groups	71,132	58,581	(27,943)	(19,955)	81,815
	<u>1,090,617</u>	<u>496,788</u>	<u>(472,051)</u>	<u>56,608</u>	<u>1,171,962</u>

Each fund is used for the purpose its name defines except that the Sidney Hulin Fund is to be used for a specific project in the name of the donor and The Janet Ticehurst legacy is supporting the NACC - funded study into genetics and ulcerative colitis.

24 Analysis of charity net assets between funds

	Unrestricted		Restricted		Total
	NACC Groups	National	NACC Groups	National	
	£	£	£	£	£
Fund balances at 31st December 2007 are represented by:					
Tangible fixed assets	450	121,761	-	-	122,211
Investments	-	1	-	-	1
Current assets	169,870	1,284,570	81,815	1,636,483	3,172,738
Current liabilities	-	(215,038)	-	(546,336)	(761,374)
	<u>170,320</u>	<u>1,191,294</u>	<u>81,815</u>	<u>1,090,147</u>	<u>2,533,576</u>

25 Related Party

A company, NACC Nominees Limited, was formed to hold the lease of the offices occupied by the charity. This position was originally made necessary because of the unincorporated status of NACC. The directors of NACC Nominees Limited are the trustees of the charity. The obligations arising under the lease are being met by the charity.

The Charity has entered into an agreement with Mr N Westwood, a trustee, under which Mr Westwood's business hosts and maintains the charity's website. During the year fees of £9,246 were paid to this business. In accordance with the charity's policy Mr Westwood withdrew from Trustee discussions authorising the transaction.